

## CLAIM

What is claimed is:

I A computerized accounting practice for an economic entity which is a method of providing accounting information, reports and statements which comprises:

the continuous daily computer updating (increasing or decreasing, as the case may be) of all nonmonetary values in an accounting practice to continuously maintain all said nonmonetary values at daily constant real economic values over time when accounting an economic entity's economic activity to prevent Historical Cost Accounting inflation, Historical Cost Accounting hyperinflation and Historical Cost Accounting deflation, as applicable, in all the said nonmonetary values for an unlimited period of time whenever accounting values are accessed;

providing for the entering in the computerized accounting system of the latest change (or actual level of the CPI, as applicable) in the CPI as soon as it is officially available;

providing for the loading of all opening balances with all nonmonetary values entered at updated real values and the loading of monetary values indicated as such;

providing for the entering of all subsequent accounting transactions at nonmonetary values continuously current at the date of the transaction and current monetary values at nominal monetary values at the date of the transaction and indicated as monetary values;

providing for always reading every value with its original date and an indication whether the value is a monetary value or not;

providing that all values are entered at their original dates and values;

providing that all values are entered as either monetary or nonmonetary values;

providing that all monetary values are displayed, printed and transferred at their nominal original values when actual monetary ledger account balances (eg. Bank Account) or actual monetary values are requested for current financial period purposes;

providing for the Net Monetary Gain or Loss report which is run at the year-end date before the YE Closing routine is run;

providing for a one-sided journal entry to be entered to record the Net Monetary Gain or Loss which becomes a nonmonetary value the moment it is accounted and has to be updated over time;

providing for the program to determine whether a report date requested is the same as the current date. When the answer is Yes the report is compiled and all nonmonetary values with original dates up to the current date are updated to the current date;

providing that when the program determines that the report date requested is not the same as the current date (i.e. it is a past date), the report is compiled and all nonmonetary values with original dates up to and including the report date are updated to current date values. All monetary values with original dates up to and including the report date are updated only as from the report date to the current date. In that way it is always a report of the real financial position at a past date expressed at the current rate;

providing that when a report is selected of values at any past date, the nonmonetary values with original dates up to and including the past date selected, are always updated to the current date and displayed and/or printed/processed/transferred always at the current date values - not at the past date values;

providing that due to the current difficulty of producing real time final financial statements an exception is only made for work on the completion of periodic reports of the financial position of an economic entity as at a specific date, for example month-end, quarter-end, six monthly accounts and year-end financial statements. When this work is done after the closing date, then values only for the purpose of finalising the closing reports, are run at the closing date rate. These closing reports are finalised at the closing date rate, but always presented after that date only with all monetary and nonmonetary values updated to the current date rate;

providing that when the final YE closing of all income and expense accounts to zero and the transfer of closing Balance Sheet balances to the new year opening balances are requested at a date after the year-end date in the new financial year, all values with

original dates up to and including the YE date are processed at the YE rate. Monetary values are not updated while all nonmonetary values up to and including the YE date are updated to the YE date;

providing that current period monetary values are presented in those financial statements as monetary values (not updated) only on that actual day. At any date after the actual date of the financial statements, monetary values are updated - only in the financial reports and not in the actual ledger accounts - the same as nonmonetary values because the financial statements then relate to the real financial position of the economic entity at a specific date - in the past;

providing that prior period comparative values and normal budget values are all (monetary and nonmonetary values) updated to the current date rate and displayed and/or printed at current date values;

providing that monetary values in forecasts are updated like nonmonetary values when a monetary value at a specific date is forecasted at another date when the real value of the original monetary value is forecasted to remain the same. The real value of the originally forecasted monetary value at the originally forecasted date is updated at the rate of the forecasted CPI at the future date;

providing that all nonmonetary values are always continuously updated in subsidiary ledgers, journals and books of account when accessed;

providing that all nonmonetary values of all modules of a completely integrated financial accounting and cost and management accounting system are always continuously updated over time when accessed;

providing that all nonmonetary values are always continuously updated in all costing models, eg. standard costing, job costing, project costing, marginal costing, process costing, etc when accessed.